Recording and Reviewing Time Worked by Non-Exempt Employees  
FIN-PAY-020

About This Policy

Effective Dates:  
08-08-2017

Last Updated:  
08-08-2017

Responsible University Administrator:  
Executive Vice President for Finance and Administration

Policy Contact:  
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Office of the University Controller  
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Scope

This policy applies to all non-exempt staff, Approvers, Payroll Processors, and Fiscal Officers.

Policy Statement

It is the policy of Indiana University to record, review, and pay the hours worked by non-exempt staff accurately in compliance with the university’s legal obligations.

Non-exempt staff are prohibited from knowingly or intentionally:

1. Submitting false time records;
2. Allowing anyone else to record their hours worked; or
3. Recording hours worked on behalf of another employee. If, however, disabilities prevent non-exempt staff from recording their own hours worked, another person may record their hours worked in accordance with procedures established by University Payroll.

These prohibitions shall not prevent Approvers and Payroll Processors from adjusting an employee’s hours worked or benefit hours used to correct any errors or omissions in order to provide timely and accurate payment. Approvers and Payroll Processors are prohibited from knowingly or intentionally approving false time records. Responsibility Center and departmental Fiscal Officers are responsible for establishing proper procedures and adequate controls to ensure the integrity of the payroll expenditures on their accounts.

Reason For Policy

Accurate and timely recording of hours worked is fundamental to the accurate and timely payment of staff, and is required under federal and state laws and regulations. The purpose of this policy is to ensure accurate and timely reporting of hours worked and time-off benefits used by non-exempt staff.

Procedure

University Payroll shall establish and manage timekeeping systems. University Payroll has the authority and responsibility to create, implement, monitor, modify, and enforce operating procedures and internal control
processes consistent with this policy to ensure accurate and timely collection of the hours worked by Indiana University’s non-exempt staff in compliance with the university’s legal obligations.

Non-exempt staff shall accurately record their hours worked and time-off benefit hours used at least daily, at the end of the workday, in timekeeping systems approved by University Payroll and in conformity with procedures established by University Payroll.

Each campus has chosen a default timekeeping method of either synchronous (i.e., recording time worked by clocking in and out of an approved electronic timekeeping system) or asynchronous (i.e., recording time worked at the end of the workday in an approved electronic timekeeping system) to be used for positions on that campus. Departments may request that University Payroll change the timekeeping method for a particular work area from the campus’s default method. In circumstances determined appropriate by University Payroll, such as the lack of Internet access in the field, University Payroll may, but is not required to, grant exceptions to the default timekeeping method or allow employees to record their time manually on paper outside of an electronic timekeeping system.

Non-exempt staff may not enter their hours worked in advance of the time worked, but they may enter time-off benefits either in advance or after use. Approvers and Payroll Processors must review and approve all hours worked and attendance records of non-exempt staff before they are submitted for payment.

Definitions

**Approver:** Person who is responsible for reviewing and approving a non-exempt staff member’s recorded hours in a university-managed timekeeping system. The Approver should have direct knowledge of the non-exempt staff member’s hours worked and attendance; typically, the Approver is the non-exempt staff member’s direct supervisor.

**Fiscal Officer:** A person who is trained and hired for the purpose of providing fiscal, policy, and internal control management of all funds in a unit, and is responsible for ensuring that processes and related controls have been established to achieve the organization’s mission and objectives.

**Non-exempt staff:** Employees who are subject to the minimum wage, overtime pay, recordkeeping, and youth employment standards of the Fair Labor Standards Act of 1938, as amended. The term includes part time, temporary work-study, support and service staff, and professional overtime-eligible staff.

**Payroll Processor:** A person responsible for ensuring the completeness and timeliness of all time and attendance information. The Payroll Processor reviews the non-exempt staff members’ hours worked, benefit time taken, and earn codes used for compliance with university policies and procedures.

Sanctions

Failure to comply with any provisions of this policy and/or falsification of timekeeping records may result in disciplinary action, up to and including termination.

Additional Contacts

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History

This policy replaces policies **FIN-PAY-IV-1** and **FIN-PAY-IV-270**.

**Related Information**
PSOP 1.0: Fiscal Officer Responsibility
PSOP 20.0: Changing Work Area Timekeeping Methods